## REMARKS

This is in response to the Office Action dated March 11, 2005. New claims 20-24 have been added. Thus, claims 1-24 are now pending.

Applicant notes with appreciation the Examiner's indication that claims 5-8 and 16-19 contain allowable subject matter. In this respect, allowable claims 5, 6, 7, 16, 17, 18 and 19 have essentially been rewritten in independent form. Thus, given the Examiner's indication of allowable subject matter, claims 5-8 and 16-19 are in condition for allowance.

It is respectfully submitted that the changes herein to claims Section 1:12 issues raised by the Examiner on page 2 of the Office Action as to claims 9-11. Claims 9-11 are clear and definite.

Claim 1 stands rejected under Section 103(a) as being allegedly unpatentable over Yoon in view of Bahadur. This Section 103(a) rejection is respectfully traversed for at least the following reasons.

Claim 1 as amended has been clarified to state that "the transparent layer on the second substrate is not provided in at least part of the non-display portion where the driving devices and wiring are provided so that a gap in the transparent layer is provided in an area corresponding to where the driving devices and wiring are provided." For example and without limitation, Figs. 1-2 of the instant application illustrate that the transparent insulating layer 10 on the second substrate 20 is not provided in at least part of the non-display portion 30 where the driving devices (e.g., TFTs 13) and wiring 12 are provided. Thus, a gap 10a having a width "w" in the transparent layer 10 is provided in an area corresponding to where the driving devices 13 and wiring 12 are provided. This is highly advantageous, for example and without limitation, as

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explained on page 38 of the instant specification. The cited art fails to disclose or suggest the aforesaid underlined feature of claim 1.

Yoon on the front page thereof illustrates an active substrate including TFTs 2 and pixel electrodes 50. Yoon's display further includes a common substrate having common electrode 80, color filters 61, and black matrix (BM) 70. However, in direct contrast with the invention of claim 1, the layer 61 in Yoon is provided in the entire area where the TFTs 2 are located. In particular, Yoon fails to disclose or suggest that "the transparent layer on the second substrate is not provided in at least part of the non-display portion where the driving devices (e.g., TFTs) and wiring are provided so that a gap in the transparent layer is provided in an area corresponding to where the driving devices and wiring are provided" as required by claim 1. Instead, Yoon teaches the opposite of claim 1 by using layer 61 in the entire area where the TFT 2 is located. Moreover, pattern 81 in Yoon is provided for purposes of creating LC domains in the display region, and thus would never have been moved to a non-display region where TFTs and/or wirings are located.

Citation to Bahadur cannot cure the fundamental flaws of Yoon discussed above. Thus, even the alleged combination fails to meet the invention of claim 1.

Claim 14 requires that "a gap in the transparent layer is provided in an area corresponding to where the driving devices and/or wiring are provided." For example and without limitation, Figs. 1-2 of the instant application illustrate that a gap 10a in the transparent layer 10 is provided in an area corresponding to where the driving devices 13 and/or wiring 12 are provided. This gap is advantageous, for example, in that a fluidization path can be secured via this gap so that liquid crystal can be more smoothly injected. The cited art fails to disclose or suggest the aforesaid quoted aspect of claim 14.

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Claim 22 requires that "the transparent layer on the second substrate is not provided in at least part of the non-display portion where at least parts of the switching elements and/or bus lines are provided so that a gap in the transparent layer is provided in an area corresponding to where at least parts of the switching elements and/or bus lines are provided." The cited art fails

to disclose or suggest this feature of claim 22.

It is respectfully requested that all rejections be withdrawn. All claims are in condition for allowance. If any minor matter remains to be resolved, the Examiner is invited to telephone the undersigned with regard to the same.

Respectfully submitted,

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